
23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/27/11

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

FINANCIAL STATEMENTS
DECEMBER 31, 2010

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INDEPENDENT AUDITORS' REPORT

To the Honorable Judges of the 23rd Judicial District
Gonzales, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the 23rd Judicial District Judicial Expense Fund (the District), a component unit of the Ascension Parish Council as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 23rd Judicial District Judicial Expense Fund's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the 23rd Judicial District Judicial Expense Fund, as of December 31, 2010, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2011, on our consideration of the 23rd Judicial District Judicial Expense Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and 20 through 22, respectively be present to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Postlethwaite & Netterville

June 16, 2011

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

23rd Judicial District Judicial Expense Fund
Gonzales, Louisiana

We have audited the financial statements of the governmental activities and each major fund of 23rd Judicial District Judicial Expense Fund (the District), a component unit of the Ascension Parish Council, as of and for the year ended December 31, 2010, which collectively comprise the 23rd Judicial District Judicial Expense Fund's basic financial statements, and have issued our report thereon dated June 16, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered 23rd Judicial District Judicial Expense Fund's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on at timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 23rd Judicial District Judicial Expense Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial

statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the District, management, and the Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postthwaite & Mettenill

June 16, 2011

23rd JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2010

This section of 23rd Judicial District Judicial Expense Fund's (the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on December 31, 2010. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net assets totaling \$1,098,897 increased 11.1% over the course of the year's operations.
- During the year, the District's expenses were \$109,655 less than the \$459,713 generated in charges for court fees, and other revenue.
- The District's expenses were \$350,058.
- The general fund reported a fund balance of approximately \$731,012.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis (this section), the financial statements, and required supplementary information. The financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District's government, reporting the District's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2010

Figure A-1

	<u>Government-wide Statements</u>	<u>Governmental Funds</u>
Scope	Entire District government	The activities of the District
Required financial statements	Statement of net assets Statement of activities	<ul style="list-style-type: none">• Balance Sheet• Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long- term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments is due during the year or soon thereafter

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS **DECEMBER 31, 2010**

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net assets—the difference between the District's assets and liabilities—is one way to measure the District's financial health, or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District include:

- Governmental activities—most of the District's basic services are included here, such as operating activities. Court fees, charges, and interest finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.

The District has only governmental funds as described below:

- Governmental funds—Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2010

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net assets. The District's net assets increased between calendar years 2010 and 2009 to \$1,098,897. (See Table A-1.)

Table A-1
District's Net Assets
Governmental Activities

	2010	2009
Current and other assets	\$1,109,068	\$994,402
Capital assets	35,073	34,526
Total assets	1,144,141	1,028,928
Current liabilities	45,244	39,686
Total liabilities	45,244	39,686
Net assets		
Invested in capital assets	35,073	34,526
Unrestricted	1,063,824	954,716
Total net assets	\$1,098,897	\$989,242

Net assets of the District's government activities increased 11.1 percent or \$109,655 during the year.

Changes in net assets. The District's total revenues increased by 5.6 percent to \$459,713. (See Table A-2.) Approximately 88 percent of the District's revenues are from charges for services. Another 9 percent is from grants, 3 percent is for interest income and the rest is for miscellaneous.

The total cost of all programs and services totaled \$350,058. The District's expenses cover all services performed by its office.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2010

Governmental Activities

Revenues for the District's governmental activities increased 5.6% or by \$24,577 while expenses also increased 7.5% for the year.

Table A-2
Changes in District's Net Assets

	Governmental Activities	
	2010	2009
Revenues		
Program revenues:		
Charges for services	\$403,227	\$380,595
Operating grants	42,945	46,105
General revenues:		
Miscellaneous	5,783	-
Interest	7,758	8,436
Total revenues	\$459,713	\$435,136
Expenses		
Operating expenses	\$350,058	\$325,609
Total expenses	350,058	325,609
Increase in net assets	\$ 109,655	\$109,527

- The cost of all governmental activities this year increased to \$350,058.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported a fund balance of \$1,063,824, an increase from the prior year of approximately \$109,108.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District did not revise the general fund budget.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2010

CAPITAL ASSETS

At the end of 2010, the District had invested \$35,073 in capital assets. (See Table A-3.)

Table A-3
District's Capital Assets
(net of depreciation)

	Governmental Activities	
	2010	2009
Equipment	\$20,419	\$19,087
Furniture & Fixtures	14,639	15,424
Leasehold Improvements	15	15
Total	\$35,073	\$34,526

This year's major capital assets additions include:

- The purchase of office furnishings costing \$3,450
- Office equipment costing approximately \$7,400

There were no disposals during the year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District is dependent on court costs for 88% of its revenue. The economy is not expected to generate any significant growth. Therefore, the District's future revenues are expected to be consistent with the current years.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jessie LeBlanc at the Judicial Administrative Office, 828 South Irma Blvd, Gonzales, LA 70737.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

STATEMENT OF NET ASSETS

DECEMBER 31, 2010

ASSETS

Cash and cash equivalents	\$ 1,044,395
Receivable from other governments	61,676
Due from St. James parish	2,654
Interest receivable	343
Capital assets, net of accumulated depreciation	<u>35,073</u>
 TOTAL ASSETS	 <u>1,144,141</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 40,313
Due to other governments	<u>4,931</u>
Total current liabilities	<u>45,244</u>

NET ASSETS

Invested in capital assets	35,073
Unrestricted	<u>1,063,824</u>
 TOTAL NET ASSETS	 <u>\$ 1,098,897</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets Governmental Unit</u>
		<u>Charges for Services</u>	<u>Operating Grants</u>	
<u>FUNCTIONS/PROGRAMS</u>				
Governmental activities:				
General government	\$ 161,090	\$ 170,962	\$ -	\$ 9,872
Families in Need of Service	51,147	-	42,945	(8,202)
Child Support	137,821	232,265	-	94,444
Total governmental activities	<u>\$ 350,058</u>	<u>\$ 403,227</u>	<u>\$ 42,945</u>	<u>96,114</u>
General Revenues:				
Interest				7,758
Miscellaneous income				<u>5,783</u>
Total general revenues				<u>13,541</u>
Change in net assets				109,655
Net assets - January 1, 2010				<u>989,242</u>
Net assets - December 31, 2010				<u>\$ 1,098,897</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2010

ASSETS

	Judicial General Fund	Families in Need of Service	Child Support	Total Governmental Funds
Cash	\$ 326,492	\$ 22,929	\$ 294,158	\$ 643,579
Certificates of deposit	400,816	-	-	400,816
Receivable from other governments	13,091	7,158	41,427	61,676
Due from St. James Parish	2,654	-	-	2,654
Interest receivable	343	-	-	343
Total assets	\$ 743,396	\$ 30,087	\$ 335,585	\$ 1,109,068

LIABILITIES AND FUND BALANCES

Liabilities				
Accounts payable	\$ 12,384	\$ 2,040	\$ 25,889	\$ 40,313
Other governments	-	4,931	-	4,931
Total liabilities	12,384	6,971	25,889	45,244
 Fund balance				
Unreserved - undesignated	731,012	23,116	309,696	1,063,824
Total fund balance	731,012	23,116	309,696	1,063,824
 Total liabilities and fund balances	\$ 743,396	\$ 30,087	\$ 335,585	\$ 1,109,068

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2010

Total fund balances - Governmental Funds		\$ 1,063,824
Cost of capital assets at December 31, 2010	156,207	
Less: accumulated depreciation as of December 31, 2010	<u>(121,134)</u>	<u>35,073</u>
Total net assets at December 31, 2010 - Governmental Activities		<u>\$ 1,098,897</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES****YEAR ENDED DECEMBER 31, 2010**

	<u>General Fund</u>	<u>Families in Need of Service</u>	<u>Child Support</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>				
Court fees	\$ 170,962	\$ -	\$ -	\$ 170,962
State grant	-	42,945	-	42,945
Department of Social Services	-	-	232,265	232,265
Interest	6,453	-	1,305	7,758
Miscellaneous income	5,783	-	-	5,783
Total Revenues	<u>183,198</u>	<u>42,945</u>	<u>233,570</u>	<u>459,713</u>
<u>EXPENDITURES</u>				
Current operations	150,623	48,221	136,680	335,524
Capital expenditures	<u>11,921</u>	<u>3,160</u>	<u>-</u>	<u>15,081</u>
Total Expenditures	<u>162,544</u>	<u>51,381</u>	<u>136,680</u>	<u>350,605</u>
Excess of revenues over (under) expenditures	20,654	(8,436)	96,890	109,108
Fund Balance, January 1, 2010	<u>710,358</u>	<u>31,552</u>	<u>212,806</u>	<u>954,716</u>
Fund Balance, December 31, 2010	<u>\$ 731,012</u>	<u>\$ 23,116</u>	<u>\$ 309,696</u>	<u>\$ 1,063,824</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2010

Excess of Revenue and Other Sources	
Over Expenditures and Other Uses	\$ 109,108
Capital Assets:	
Capital outlay capitalized	10,861
Depreciation expense for year ended December 31, 2010	(10,314)
	<u>547</u>
Change in Net Assets - Governmental Activities	<u>\$ 109,655</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

The 23rd Judicial District Judicial Expense Fund was established in 1995 under Act No. 435 which was an amendment to Title 13 of the Louisiana Revised Statutes on 1950. The Expense fund was established for the purpose of paying expenses for the court deemed necessary by the Judges for efficient operations of the court.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The district court judges are independently elected officials. However, the judicial district is fiscally dependent on the Ascension Parish Council for office space, courtrooms, and related utility costs, as well as partial funding of salary costs. Because the judicial district is fiscally dependent on the council, the judicial district was determined to be a component unit of the Ascension Parish Council, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the judicial district and do not present information on the Ascension Parish Council, the general government services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

BASIS OF PRESENTATION

The accompanying financial statements of the 23rd Judicial District Judicial Expense Fund have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

GOVERNMENT-WIDE STATEMENTS:

The statement of net assets and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government, except for fiduciary activities. Activities of the District are Governmental. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

FUND FINANCIAL STATEMENTS:

The fund financial statements provide information about the District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds.

The District reports the following major governmental funds:

General Fund

The General fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds

To account for the proceeds of specific revenue sources legally restricted to expenditure for specified purposes.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

GOVERNMENT-WIDE FUND FINANCIAL STATEMENTS (GWFS)

The GWFS and fiduciary fund statements are reported using the economic resources measurement focus. The government wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Court fees and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 15, the District completes and submits an operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing those expenditures.
2. Formal budgetary integration is employed as a management control device during the year for the General Fund and special revenue funds.
3. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. Budgeted amounts are as originally adopted, or as amended by the District. Individual amendments were not material in relation to the original appropriations.
5. All annual appropriations lapse at fiscal year end.

E. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Equipment	5
Furniture & Fixtures	5-7
Leasehold Improvements	7

F. USE OF ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. CASH AND CASH EQUIVALENTS

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with original maturities of three months or less are cash equivalents.

2. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2010, are as follows:

Governmental activities:

	Equipment	Furniture & Fixtures	Leasehold Improvements	Total
Cost of Capital				
Assets December 31, 2009	\$ 103,038	\$ 35,627	\$6,681	\$145,346
Additions	7,411	3,450	-	10,861
Costs of Capital Assets, December 31, 2010	<u>110,449</u>	<u>39,077</u>	<u>6,681</u>	<u>156,207</u>
Accumulated depreciation, December 31, 2009	83,951	20,203	6,666	110,820
Additions	6,079	4,235	-	10,314
Accumulated depreciation, December 31, 2010	<u>90,030</u>	<u>24,438</u>	<u>6,666</u>	<u>121,134</u>
Capital assets, net of accumulated depreciation, at December 31, 2010	<u>\$ 20,419</u>	<u>\$ 14,639</u>	<u>\$ 15</u>	<u>\$ 35,073</u>

For the year ended December 31, 2010 depreciation expense was \$10,314.

3. CASH

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Custodial Credit Risk- Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of December 31, 2010, the bank balance was not exposed to custodial credit risk.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

NOTES TO THE FINANCIAL STATEMENTS

4. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were available to be issued, June 16, 2011, and determined that there were no events that require disclosure.

No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Court fees	\$ 155,300	\$ 155,300	\$ 170,962
Interest	-	-	6,453
Miscellaneous	-	-	5,783
Total Revenues	<u>155,300</u>	<u>155,300</u>	<u>183,198</u>
 <u>EXPENDITURES</u>			
Current operations	145,300	145,300	150,623
Capital expenditures	<u>10,000</u>	<u>10,000</u>	<u>11,921</u>
Total Expenditures	<u>155,300</u>	<u>155,300</u>	<u>162,544</u>
 Excess of Revenues over expenditures	-	-	20,654
 Fund Balance, January 1, 2010	<u>710,358</u>	<u>710,358</u>	<u>710,358</u>
 Fund Balance, December 31, 2010	<u>\$ 710,358</u>	<u>\$ 710,358</u>	<u>\$ 731,012</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE

FAMILIES IN NEED OF SERVICE

YEAR ENDED DECEMBER 31, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
State grant	<u>\$ 42,945</u>	<u>\$ 42,945</u>	<u>\$ 42,945</u>
Total Revenues	<u>42,945</u>	<u>42,945</u>	<u>42,945</u>
<u>EXPENDITURES</u>			
Current operations	<u>39,025</u>	<u>39,025</u>	<u>48,221</u>
Capital expenditures	<u>3,920</u>	<u>3,920</u>	<u>3,160</u>
Total Expenditures	<u>42,945</u>	<u>42,945</u>	<u>51,381</u>
Excess of Revenues under expenditures	-	-	(8,436)
Fund Balance, January 1, 2010.	<u>31,552</u>	<u>31,552</u>	<u>31,552</u>
Fund Balance, December 31, 2010	<u>\$ 31,552</u>	<u>\$ 31,552</u>	<u>\$ 23,116</u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

BUDGETARY COMPARISON SCHEDULE

CHILD SUPPORT FUND

YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Department of Social Services	\$ 216,000	\$ 216,000	\$ 232,265
Interest	-	-	1,305
Total Revenues	<u>216,000</u>	<u>216,000</u>	<u>233,570</u>
 <u>EXPENDITURES</u>			
Current operations	<u>136,200</u>	<u>136,200</u>	<u>136,680</u>
Total Expenditures	<u>136,200</u>	<u>136,200</u>	<u>136,680</u>
 Excess of Revenues over expenditures	79,800	79,800	96,890
 Fund Balance, January 1, 2010	<u>212,806</u>	<u>212,806</u>	<u>212,806</u>
 Fund Balance, December 31, 2010	<u><u>\$ 292,606</u></u>	<u><u>\$ 292,606</u></u>	<u><u>\$ 309,696</u></u>

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2010

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expressed an unqualified opinion on the financial statements of 23rd Judicial District Judicial Expense Fund.
2. No significant deficiencies relating to the audit of the financial statements are reported in the report on compliance and internal control.
3. No instances of noncompliance material to the financial statements of 23rd Judicial District Judicial Expense Fund are disclosed in Part B.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

NONE

23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2010

A. FINDINGS- FINANCIAL STATEMENT AUDIT

NONE